

*February 2004*

**Charitable Games**

# Newsletter

*from the Missouri Gaming Commission*

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## COMMUNICATION

The Commission has replaced the seminars that were conducted in previous years with the mailing of bulletins and newsletters. The reason for this change was an attempt to reach **every** organization licensed to conduct bingo in the State of Missouri. The seminars were only attended by a small number of organizations, and we did not feel that this type of communication was being effective. We have also developed a web site and implemented an in state toll free number. If you are new to the bingo paperwork and need some help getting started or if you have questions concerning specific laws or rules, please call or write our office.

If you have any suggestions for further improving communications, please send us your suggestions.

# Illegal Activities and Public Trust

The Gaming Commission takes immediate action to revoke the bingo license of organizations that engage in any form of criminal activity. Please don't risk losing your bingo program over illegal gambling machines or other activities that cannot be allowed to co-exist with licensed charitable games. Maintaining the public's trust in the integrity of bingo and pull-tab games will benefit all bingo organizations – and it is the responsibility of every bingo organization to protect that trust.



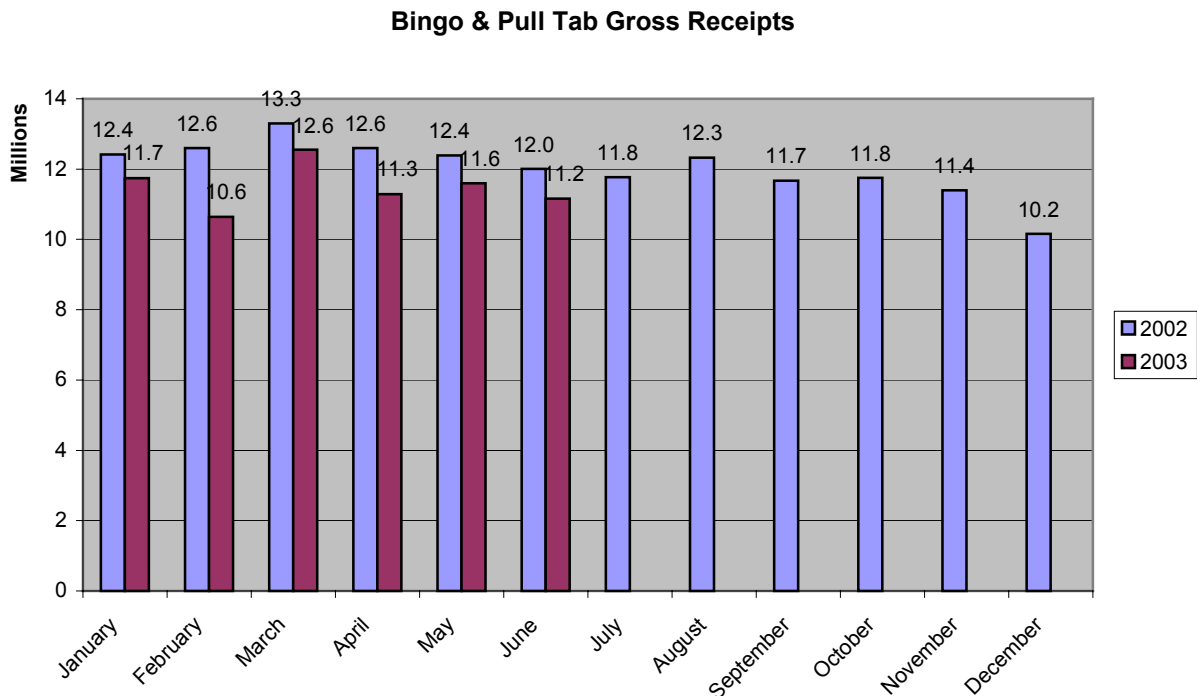
**The following items are clarifications or questions that have been directed to the Charitable Games Division, which we thought might be beneficial to you.**

**1. Regulation 11 CSR 45-30.550 – Licensee's Duty to Report and Prevent Misconduct.**

There appears to be some confusion on the purpose of Regulation 11 CSR 45-30.550 Licensee's Duty to Report and Prevent Misconduct. The following is a brief clarification on the purpose of this regulation. Section (1) of the rule basically requires that the licensee report violations of bingo laws and/or rules to the Commission. A good example would be a pull-tab game that is in play. The organization discovers a problem with the game – perhaps the payout on the tickets doesn't match the flare. The organization naturally pulls the game and calls their supplier who in turn will contact the manufacturer. This regulation would require that the licensee also contact the Commission. The purpose for this is because if there is a manufacturer who consistently has errors in their product, it needs to be addressed. We can't address the problem if we have no knowledge of the event. In some cases, we may ask you to hold the game so we can pick it up and examine it before it goes back to the supplier. Section (2) of the regulation requires the licensee to take reasonable action if improper conduct occurs at the bingo game. Reasonable action could be the member in charge going to a table and telling the players to quiet down. In a more severe case where it looks like someone could get hurt, reasonable action could be calling the local police. The regulation just requires that you take reasonable measures to maintain order and to ensure the safety of your patrons. Basically, as long as you address the problem, you have complied with the requirements of this rule. Section (3) of the regulation requires that illegal or violent acts that have been committed be reported to the Commission. Again, the reasonable action comes in to play in deciding what needs to be reported. However, in all cases, if you are not sure whether you should report something to the Commission or not, please report it.

**2. What is the method used to obtain copies of another organization's quarterly report financial information?** This is public information and you may obtain copies by sending a written request to our office advising which organizations you are interested in. We will compile the information, and depending on the number of pages, we will either mail them to you or we will send you a bill. The State requires that we charge fifty cents per page for documents that we copy for the public; however, we normally do not bill for anything under \$10. So depending on what you request, there may be a charge.

- 3. Gross Receipts Comparison.** As reported on the quarterly reports, the following chart represents gross receipts for bingo and pull-tabs for calendar year 2002 and the first six months of 2003.



**4. How does the Missouri Gaming Commission choose who will be audited?**

There are four basic ways that your organization could end up being audited by the Missouri Gaming Commission; complaints, quarterly report problems, random selection and follow-up audit.

- **Complaints** – If a complaint is received on your organization that warrants a visit, we will address the complaint during an audit of your organization’s records. If the complaint involves any criminal allegations, you may see our enforcement staff as well.
- **Quarterly Report Problems** – If your organization has a continuous problem with completing quarterly reports accurately, the audit staff will come to your organization and assist you in correcting your record keeping problems. If your organization would like to request assistance with record keeping and completing quarterly reports, feel free to contact us and a member of the audit staff will be happy to help you.
- **Random Selection** – A list has been compiled of organizations that have never been visited by a representative of the Missouri Gaming Commission; it is our intention to eventually visit each and every licensed organization in the State.
- **Follow Up** – If your organization has been recently audited or disciplined, we may conduct a follow up audit to ensure needed corrections have been made. Some of these follow up audits will be done by requesting that the records be submitted to the Missouri Gaming Commission office rather than an auditor actually coming to your game.

**5. Quarterly Reports via E-Mail.**

The Commission added a quarterly report to our website that allows you to input your information and file your report via e-mail. Since placing this report on our website, we have had a few comments and questions from organizations about filing the report via e-mail. Here are a few things to remember if you decide to file your report via e-mail:

- **The file is very large and may take quite awhile to open.** Those people with a dial-up connection may have trouble opening this file because it is so large. We have made some minor changes to the report in an attempt to improve this situation.
- **Downloading the latest version of Acrobat Reader will help.** Some of those having problems with the report have indicated that after downloading version 6.0 of Acrobat Reader, they were able to pull up and submit the report without any more problems.
- **You must be on-line and have your e-mail open in order to save the quarterly report.** Acrobat Reader will not allow you to directly save your completed quarterly report without purchasing their software. In order to save a copy of the completed form, open your e-mail, click the save button on the instruction page of the quarterly report and enter your e-mail address when the [e-mail to:] box comes up. By e-mailing the completed document to yourself, you will be able to then save the document on your computer or a floppy disk.
- **You must be on-line and have your e-mail open in order to submit the quarterly report via e-mail.** Submitting your quarterly via e-mail works much the same way as saving your report. The report will be e-mailed to the Commission office; therefore, you will need to have your e-mail open when clicking the submit button in order to send the quarterly report to us. The Commission will send a confirmation e-mail when we have received your quarterly report.
- **If you have any questions, please call and we will do our best to help you.**

- 6. Are Good Neighbor Prizes Allowed?** Is it legal for an organization to award a prize to the player sitting next to the winner of a bingo game? Yes, so long as the game is described in your house rules and the amount of the 'good neighbor prize' is included in the \$3,600 maximum prize amount allowed per occasion. The 'good neighbor' game cannot be played in conjunction with your \$500 game.

- 7. Does the actual coin board have to be retained for three years or is the game sheet and \$100 plus winning tabs sufficient?** The organization is required to maintain the actual coin board; the game sheet does not include all of the necessary information to reflect coins and prizes awarded.

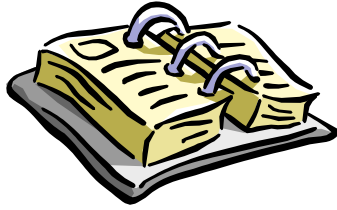
- 8. If a player attempts to redeem a winning pull-tab at your bingo game that has not been sold by your organization, what steps should be taken by the organization?**

If a player attempts to redeem a pull-tab, which appears questionable to the worker, you should take the tab and ask the player for their name, address and telephone number. Tell the player there appears to be a problem with the tab and you will contact them to make payment after you have time to verify that the tab is valid. If the player was trying to claim a prize on a pull-tab that was not sold by your organization or if the tab appears to have been manipulated in any way, contact the Bingo Division for further instructions.

# REMINDERS

- Names of the organization **officers and all bingo workers MUST** be submitted with their social security number and date of birth for approval by the Missouri Gaming Commission **prior** to assisting in any manner with bingo game activity. Officers must be submitted and approved even if they do not assist with the bingo game. Officers and workers **MUST** be two-year bona fide members of the organization.
- The Missouri Constitution and Chapter 313 prohibit members of an organization from receiving compensation from any source for assisting with bingo. The following are **violations commonly detected**: paying a member to clean the bingo hall; paying a member to order supplies for bingo; paying a member to do bookwork for bingo; buying concessions for bingo workers; having a party to show gratitude to bingo workers.
- Bingo statutes require that the **Presiding Officer** and **Secretary** of the organization sign **Bingo License Applications**. A common mistake made by organizations, is for the Bingo Chairman or president of the bingo committee to sign the application. This is not acceptable.
- When completing an Abbreviated Pull-Tab License Application, please ensure that a **chief officer** of the organization signs the application. Chief officers are considered to be the **president, vice president, secretary or treasurer** of the organization. An abbreviated pull-tab license authorizes your organization to sell pull-tabs without conducting a bingo game. This license is valid for a twenty-four hour period, and is limited to four occasions per calendar year. If you have an annual event and wish to continue selling pull-tabs after the bingo game has ended, you will need an abbreviated pull-tab license in order to continue.
- As you may have noticed, the Quarterly Report has been revised to reflect the signature and daytime telephone number of the person that actually prepared the report. We want to be able to contact the person who actually completed the report in case we have questions. If we were able to contact you by phone, it could minimize unnecessary letter writing and time delays. Your cooperation with this would be greatly appreciated.
- It has been brought to the Commission's attention that when completing the Occasion Reports, some organizations have the misconception that the numbers must balance even if it means backing into the figures. **THIS IS NOT TRUE!!!!** The Occasion Reports and the Quarterly Reports should reflect actual figures. If the net receipts and amount of money available for deposit do not match, the numbers should be posted as is. If the discrepancy is large, an explanation should be provided detailing the reason for the discrepancies.
- Bingo proceeds **may not** be used to purchase items for promotional drawings or merchandise to be given to players as promotional gifts.
- If someone comes to your bingo game and introduces himself or herself as an agent working for the Missouri Gaming Commission, they will have proper identification. If the individual cannot produce that identification, they are not employed by the Commission.

# STATUTE BOOK REPLACEMENTS



Enclosed with this Newsletter are revised pages of the bingo Statute/Regulation Booklet. The revisions resulted from the effective date of two new regulations, 11 CSR 45-30.540 and 11 CSR 45-30.550.

Please remove the front cover of your bingo statute book and replace it with the new cover reflecting the last revision date of February 1, 2004.

Under the 'Index' tab, remove pages 1-3 of the bingo regulations index and replace them with index pages 1-3, enclosed.

Under the 'Bingo Tax Rules' tab in your statute booklet remove pages 15-21 and replace them with pages 15-21, enclosed.